



November 20, 2018

Item No. 13

AUTHORIZATION TO: 1) ENTER INTO AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CHICAGO HOUSING AUTHORITY AND THE CITY OF CHICAGO ("CITY") FOR A LAND EXCHANGE WITHIN AND NEARBY THE FORMER STATEWAY GARDENS DEVELOPMENT AREA ; 2) SUBMIT ACQUISITION AND DISPOSITION APPLICATIONS TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT TO DISPOSE OF APPROXIMATELY 6.5 ACRES AT 3833 S. FEDERAL STREET AND ACQUIRE APPROXIMATELY 6.7 ACRES AT 3919 S. FEDERAL STREET; AND 3) EXECUTE AND DELIVER SUCH OTHER DOCUMENTS AND PERFORM SUCH ACTIONS AS MAY BE NECESSARY TO IMPLEMENT THE FOREGOING.

Addresses: 3833 S. Federal Street (CHA Land) and 3919 S. Federal Street (City Land)

Alderman: Pat Dowell 3rd Ward

Presenter: Ann McKenzie, Chief Development Officer

Recommendation

It is recommended that the Chicago Housing Authority's (CHA) Board of Commissioners authorize the Chief Executive Officer or his designee to: 1) Enter into an Intergovernmental Agreement (IGA) between the CHA and the City of Chicago ("City") for a land exchange within and nearby the former Stateway Gardens development area; 2) Submit acquisition and disposition applications to the United States Department of Housing and Urban Development (HUD) to dispose of approximately 6.5 acres at 3833 S. Federal Street and acquire approximately 6.7 acres at 3919 S. Federal Street; and, 3) Execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

The Chief Development Officer and the Office of the General Counsel have completed all necessary due diligence to support the submission of this initiative and recommend the approval of this item accordingly.

Funding: None required

Compliance: N/A.

Background

The CHA seeks to enter into an intergovernmental agreement (IGA) with the City of Chicago to exchange 6.5 acres of Stateway Gardens land to build a retail/commercial development. In exchange, CHA will receive 6.7 acres of City-owned land, located south of Pershing Road (39th Street) (the "City Land") to build a mixed income residential development.

The City Land was once a part of the CHA's Robert Taylor Homes redevelopment area and was conveyed to the City through a previous IGA executed March 15, 2004. As part of the exchange, CHA received comparable City land and CHA built Robert Taylor's C2 offsite rental phase on various parcels in the neighboring Bronzeville community.

This board action would enable the City to shift its planned commercial development from south of Pershing Avenue to the north side of the street. Housing units that were slated for delivery on the original Stateway Garden's footprint will eventually be built on the acquired City Land and/or in the surrounding community.

The commercial development will be located adjacent to the Park Boulevard community and will benefit the Park Boulevard residents as well as the surrounding neighborhoods.

CHA intends to include the transferred City Land into its Stateway Revitalization plan, currently under the oversight of the Stateway Gardens Working Group.

In order for the CHA to convey the former Stateway site land to the City and receive the City Land in exchange, CHA needs HUD approval. All applicable HUD requirements for dispositions of CHA Land will be satisfied prior to submission of application to HUD.

The total planned conveyance of the CHA land to the City is approximately 6.5 acres. The total planned conveyance of the City Land to CHA is approximately 6.7 acres. The appraised value of CHA land to be exchanged is approximately \$2,550,000. The appraised value of the City Land to be exchanged is approximately \$2,800,000.

Respectfully Submitted:

Ann C. McKenzie
Chief Development Officer

RESOLUTION NO. 2018-CHA-

WHEREAS, The Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated November 20, 2018, requesting authorization to: 1) Enter into an Intergovernmental Agreement between the Chicago Housing Authority and the City of Chicago (“City”) for a land exchange within and nearby the former Stateway Gardens Development Area; 2) Submit acquisition and disposition applications to the United States Department of Housing and Urban Development to dispose of approximately 6.5 acres at 3833 S. Federal Street and acquire approximately 6.7 acres at 3919 S. Federal Street; and, 3) Execute and deliver such other documents and perform such actions as may be necessary to implement the foregoing.

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY:

THAT, The Board of Commissioners authorizes the Chief Executive Officer or his designee to: 1) Enter into an Intergovernmental Agreement between the Chicago Housing Authority and the City of Chicago (“City”) for Land Exchanges within and nearby the former Stateway Gardens development area; 2) Submit acquisition and disposition applications to the United States Department of Housing and Urban Development to dispose of approximately 6.5 acres at 3833 S. Federal Street and acquire approximately 6.7 acres at 3919 S. Federal Street; and, 3) Execute and deliver such other documents and perform such actions as may be necessary to implement the foregoing.

Eugene E. Jones, Jr.
Chief Executive Officer
Chicago Housing Authority